

Housing Element Policy Document

Introduction

The Housing Element addresses housing development, rehabilitation, and conservation. It sets forth actions the City will undertake to assist residents to maintain their homes and to help ensure that there is an adequate supply of safe, affordable housing for existing and future residents. The element also addresses the special housing needs of individuals requiring assistance, such as elderly residents, single mothers with children, low-income and large families, military personnel, the homeless, and mobility-impaired residents.

The policies and programs for housing bear a close relationship to City policies contained in the Land Use Element. The amount of housing needed, for example, depends in part on the amount of commercial and industrial development planned. A direct link exists between jobs and the demand for housing. The Land Use Element also dictates the distribution and density of housing throughout the city. In sum, the Housing Element determines how much and what type of housing is needed, while the Land Use Element provides for the location, distribution, and density of housing. The analysis in this Element and the accompanying Technical Document is based on the adopted General Plan of 2002.

State Requirements

The State of California has adopted specific requirements for housing elements. The cornerstone of these requirements is the allocation of statewide housing needs on a regional basis and the adoption by each community of its share of the regional need. The State requires that a housing element contain an identification and analysis of existing and projected housing need for individuals of all levels of income; a statement of goals, policies, and quantified objectives; programs to address identified housing needs; and an identification of an adequate number of sites for all types of housing (including rental, factory built, and mobile homes). The assessment of housing needs must include:

- Projections of population and employment.
- Analysis of household characteristics and housing condition, including a comparison of housing costs and household income.
- An inventory of sites suitable for residential development and an analysis of the effect of zoning requirements and public facilities availability on the use of sites.

- Analysis of the potential governmental and non-governmental constraints to the development of housing, including an analysis of constraints to the development of housing for persons with disabilities.
- Evaluation of opportunities for energy conservation.
- A documentation of the housing needs of special groups, such as elderly residents, disabled individuals, large families, farm workers, single mothers with children, and homeless individuals or families.
- Identification of sites suitable for homeless shelters and transitional housing to meet the identified need for such housing.

Once these housing needs have been identified, and the factors influencing housing production evaluated, the Housing Element must include a proposed program with quantified, time-oriented objectives to address the City's housing needs. The program should identify how sites will be made available to meet new construction needs, how the city can assist in the provision of low- and moderate-income housing, how constraints to meeting the City's housing needs can be removed, and how the existing housing stock can be preserved.

Contents of the Housing Element

The Housing Element is divided into two parts. This Policy Document contains the City's goals, objectives, policies and programs for housing. The goals, objectives, and policies direct the specific program actions Fairfield intends to undertake to meet its identified housing needs during the 2001-2006 planning period. The City's proposed program, including a six-year schedule of quantified objectives, provides the detailed description of actions the City proposes to undertake to meet its identified housing needs.

The Technical Document contains the background information which identifies Fairfield's housing needs. The background information includes an evaluation of the previous Housing Element, an analysis of population and housing characteristics, employment trends, a vacant land inventory, information on special housing needs, an evaluation of constraints to housing production (including the production of accessible housing for persons with disabilities), and a discussion of energy conservation opportunities.

Goal

Encourage quality residential settings throughout the city by providing a wide range of housing types and values and an adequate supply of housing opportunities to renters, owners, and others with special needs.

Objectives, Policies and Programs

Housing Opportunities

Objective HO 1

Provide for varied housing opportunities, in terms of type, price, amenities, neighborhood design, and location, for all income groups and family types.

Policy HO 1.1

Encourage multi-family housing at appropriate locations and densities.

Program HO 1.1 A

Update the 1995 Multi-family Housing Sites Study to reassess the potential for infill multi-family development, including commercially zoned properties.

Responsibility: Department of Planning and Development.

Timeframe: Study update to be completed during winter 2002.

Program HO 1.1 B

Monitor the development of parcels with RVH and RH Zoning to ensure that they are developed with higher density housing, including affordable housing. If RVH and RH parcels are proposed to be rezoned to a lower density, or proposed for development at a lower density than 20 dwelling units per acre, City staff shall prepare an analysis of the impact of such development or rezoning on the City's ability to meet its projected housing needs. The City shall also prepare an annual assessment of parcels with the higher density RVH, RH, and RM Zoning. This report shall assess development trends, the type of housing developed, and affordability of the units developed. The annual assessment should also identify mechanisms for facilitating development of additional housing, as needed.

Responsibility: Department of Planning and Development

Timeframe: Ongoing

Program HO 1.1C

Develop educational programs to inform the community about multifamily housing. Such educational programs should focus on topics to reduce community fear about multifamily housing, such as

- *The need for affordable multifamily housing in the community.*
- *City design standards to mitigate impacts on surrounding neighborhoods and ensure a quality project*

- *How typical project conditions of approval and mitigation measures address negative off-site impacts of multifamily housing.*
- *How the project will be managed to avoid social problems and physical decline of the project.*
- *Analyses of the impact of affordable and multifamily housing on adjoining residential neighborhoods.*
- *Examples of successful projects elsewhere in the City and the Bay Area.*

The City will work with non-profit housing groups such as BRIDGE, Mid-Peninsula Housing, and the Solano Affordable Housing Foundation to develop the informational materials. Present the program at local civic groups, neighborhood associations, and other forums.

Responsibility: *Department of Planning and Development*

Timeframe: *Develop draft program for Spring 2003. Educational outreach activities will then be ongoing, with periodic workshops.*

Program HO 1.1 D

Continue to encourage developers of multifamily housing and affordable housing to conduct extensive community outreach programs prior to submittal of their projects. Staff will help notify neighborhoods and will assist developers and the neighborhood in organizing meeting locations.

Responsibility: *Development community, with facilitation by Department of Planning and Development*

Timeframe: *Ongoing*

Program HO 1.1 E

Develop informational materials for use by non-profit and for profit multifamily housing developers that proactively inform developers about the options for flexibility in the City's development standards. Such options include those outlined in the Zoning Ordinance, Chapter 25.20.4.8.

Responsibility: *Department of Planning and Development*

Timeframe: *Prepare materials by May 2002.*

Program HO 1.1 F

Continue requiring identification signs on multi-family sites and buyer notification for single-family homebuyers near multi-family sites. Such signs can help reduce neighborhood opposition because new homeowners will be aware of developments prior to moving into a neighborhood.

Responsibility: *Planning and Development.*

Timeframe: *Ongoing.*

Policy HO 1.2

Encourage appropriate development of innovative projects that use manufactured homes, modular housing, and/or mobile homes.

Program HO 1.2 A

Review the City's regulations and fee schedule and revise where appropriate to encourage mobile home parks while ensuring high standards of development and maintenance.

Responsibility: Planning and Development

Timeframe: Prepare report by July 2003. Adoption by December 2003.

Program HO 1.2 B

Identify an appropriate site for an innovative modular housing community that provides affordable ownership housing for moderate-income citizens. Work with appropriate non-profit or for-profit developer to successfully develop the community.

Responsibility: Planning and Development, Redevelopment Agency.

Timeframe: Identify sites by June 2002. Completion by December 2004.

Program HO 1.2 C

Support appropriate developer proposals for innovative housing prototypes not included in the current Zoning Ordinance.

Responsibility: Planning and Development.

Timeframe: Ongoing, depending on developer interest.

Policy HO 1.3

Encourage mixed-use development that encourages unique housing types, homeownership opportunities, and employment-generating uses.

Program HO 1.3 A

Prepare a Specific Plan for the "80-to-80 Corridor" which addresses the following issues:

- ☐ ***Appropriate locations for mixed use development incorporating housing,***
- ☐ ***Other opportunities for infill housing***
- ☐ ***Implementation strategies for the North Texas Street and West Texas Street Master Plan***
- ☐ ***Multifamily housing permitted "as of right" (without a Conditional Use Permit) in the City's commercial districts.***

Responsibility: Department of Planning and Development

Timeframe: 2006-2007

Program HO 1.3B

Develop appropriate standards and incentives to encourage the development of - mixed-use projects in commercial districts, including downtown Fairfield, North Texas Street, and West Texas Street. Such incentives could include:

- *Use of the City's Density Bonus Ordinance for housing.*
- *Use of grant proceeds from the annual Planning Grants and Capital Improvement Grants offered by the U. S. Department of Transportation's Transportation for Livable Communities (TLC) program, including the new Housing Incentive Program. These funds are competitive, but if the City receives funding, it will use the funds to coordinate planning studies and implement streetscape improvements that facilitate development of housing, particularly in downtown Fairfield.*
- *Modification of zoning regulations to facilitate mixed use housing:*
 - *Develop parking standards to permit the sharing of parking spaces by commercial, office, and residential uses.*
 - *Change required setbacks, yards, and height limits.*
 - *Reduce open space requirements for residential units when located within a ½ mile of a public park.*
- *Use of Redevelopment Agency Housing Set Aside funds to pay impact fees. These funds could be budgeted under the Single Family Infill Projects line, which shows a total budget of \$750,000 that can be spent downtown or other mixed-use areas.*
- *Assistance with site planning and architecture through a City-paid architect.*

The City will market the incentives program through Downtown Business Improvement District publications, informational material provided to the development community, and participation in regional conferences and workshops involved in infill development.

Responsibility: *Planning and Development to prepare standards for incorporation into the overall Urban Design Guidelines. Redevelopment Agency to identify other appropriate incentives.*

Timeframe: *Guidelines to be adopted by May 2002. Incentives package developed by December 2002.*

Program HO 1.3C:

Working with property owners, implement the recommendations of the West Texas Street Master Plan regarding the identified infill development prototype sites.

Responsibility: *Economic Development*

Timeframe: *2006-2007*

Program HO 1.3D:

Facilitate the completion of at least one new mixed use building in downtown Fairfield that includes housing units.

Responsibility: *Economic Development*

Timeframe: *2006-2008.*

Policy HO 1.4

Support pedestrian-and-transit-oriented housing development in appropriate locations.

Program HO 1.4 A

Develop appropriate standards for street design, mixed uses, public spaces, and pedestrian-oriented house designs. Incorporate these standards into the Urban Design Guidelines under development.

Responsibility: *Planning and Development will take lead, with significant input from Public Works Department and Community Services Department.*

Timeframe: *Incorporate into Urban Design Guidelines adopted May 2002.*

Program HO 1.4 B

Proactively identify and market potential sites for pedestrian-oriented development near downtown Fairfield.

Responsibility: *Redevelopment Agency.*

Timeframe: *Incorporate into update of Multi-family Sites Study.*

Program HO 1.4 C

Develop standards for mixed-use “live-work” development, incorporating retail, office, and residential uses into single buildings.

Responsibility: *Planning and Development working with Building Division.*

Timeframe: *Incorporate into Urban Design Guidelines to be adopted by May 2002.*

Infill Development

Objective HO 2:

Encourage infill housing in developed areas of the City.

Policy HO 2.1

Support changes in land use designations for commercial, industrial, and residential areas where conditions support quality higher density infill housing.

Program HO 2.1 A

Amend the Zoning and General Plan classifications of appropriate sites to permit higher density infill housing on sites identified during the Comprehensive General Plan Amendment process or when otherwise appropriate.

Responsibility: Planning Commission, City Council.

Timeframe: General Plan Amendment will be completed by January 2002. Other amendments would occur in response to specific projects.

Policy HO 2.2

Encourage property owners of adjoining parcels to consolidate or otherwise cooperatively develop their parcels.

Program HO 2.2A

Educate developers and property owners about the flexibility in the City's Zoning Ordinance supportive of infill housing development.

Responsibility: Planning and Development

Timeframe: Ongoing.

Policy HO 2.3

Encourage property owners of smaller parcels (less than two acres) to work with the City to develop affordable ownership housing where rental housing is infeasible.

Program HO 2.3A

Educate builders and property owners about successful smaller infill housing projects in Fairfield

Responsibility: Planning and Development

Timeframe: Ongoing

Program HO 2.3B

Develop targeted funding programs for infill housing.

Responsibility: Planning and Development/Redevelopment Agency

Timeframe: Ongoing, depending on funding availability.

Affordability

Objective HO 3

Meet the housing needs of lower and moderate-income households identified in the Association of Bay Area Governments Regional Housing Needs Allocation.

Policy HO 3.1

Assist developers interested in new affordable housing.

Program HO 3.1 A

Provide density bonuses to homebuilders who include lower-income dwelling units within residential developments.

Responsibility: Planning and Development.

Timeframe: Ongoing, depending on developer interest.

Program HO 3.1 B

Implement flexible Zoning standards to facilitate affordable housing.

Responsibility: *Planning and Development.*

Timeframe: *Ongoing, depending on developer interest.*

Program HO 3.1 C

Review current Zoning, Public Works, Police, Parks, and Fire standards and conditions of approval and identify appropriate opportunities for reducing costs for affordable housing. Identify specific thresholds for when flexible standards are to be used. Issues to be studied include:

- *Street widths and street construction standards.*
- *Project landscaping requirements*
- *Park contributions.*
- *Alternative storm drainage collection systems.*
- *Curb and sidewalk design.*
- *Parking requirements*

The City will work with the development community to identify specific changes to development standards.

Responsibility: *Department of Planning and Development will be the lead agency, with input from all affected departments and divisions.*

Timeframe: *Review completed by Summer 2003*

Policy HO 3.2

Support the use of State and federal programs and nonprofit funding sources as funding for affordable housing construction and rehabilitation.

Program HO 3.2 A

Work with developers to identify funding sources that reduce financing costs for projects while providing affordable units. The City and the Redevelopment Agency will pursue a variety of funding sources, including the New Construction/Acquisition budget in the Redevelopment Agency's Low/Moderate Housing Program (\$1,745,000 total), the Housing Preservation budget (\$250,000 total), and/or the Housing Rehabilitation budget (\$1,570,000 total).

Responsibility: *Planning and Development, Redevelopment Agency.*

Time frame: *Ongoing.*

Program HO 3.2 B

Use State and federal programs for which the City would be the applicant, or a co-sponsor, and work with non-profit and for-profit developers to make use of those programs directed to homebuilders. For some of these programs, the City would act as a sponsor for an interested developer. Specific programs which the City may use, funding permitting, are: Community Development Block Grant

Program, California Rental Housing Construction Program, California Housing Finance Agency programs, Department of Housing and Urban Development programs to finance lower and moderate-income housing, and State and federal programs aimed at providing housing and related services to homeless individuals. The City will pursue funding under available State and federal programs to the extent that the City is eligible for such funding and projects can make use of such programs.

Responsibility: *Planning and Development, Housing Services Division.*

Timeframe: *Ongoing.*

Program HO 3.2 C

Support activities of non-profit housing corporations, such as Caminar Solano, Bridge, CHOC, and the Solano Affordable Housing Foundation.

Responsibility: *Planning and Development.*

Timeframe: *Ongoing.*

Program HO 3.2 D

Continue seeking financial commitments from lending institutions to provide financing for affordable housing.

Responsibility: *Planning and Development, Redevelopment Agency.*

Timeframe: *Ongoing.*

Policy HO 3.3

Encourage homeownership for moderate and low-income homebuyers.

Program HO 3.3 A

Continue the City's active mortgage credit certificate program, which reduces financing costs, for income-eligible first-time homebuyers. The City will market the mortgage credit certificate program through radio and newspaper announcements and notification to lending institutions and the Northern Solano County Association of Realtors.

Responsibility: *Planning and Development.*

Timeframe: *Ongoing: apply each year for certificate authorization.*

Program HO 3.3 B

Continue the City's down payment assistance program. Funding sources to be used for this program include but are not limited to HELP Funds (the City received \$300,000 in 2001) and Redevelopment Agency Low/Moderate Housing Funds, (with \$900,000 budgeted between January 2000 and December 2006).

The program provides down-payment assistance to first-time, lower and/or moderate-income homebuyers. The assistance would be provided in the form of a

"silent" second or third mortgage, which would be repayable at the time the home is sold or transferred. The loans are deferred, becoming amortizing after 10 years if the household still owns and resides in the home.

Responsibility: *Planning and Development, Redevelopment Agency.*

Timeframe: *Ongoing.*

Program HO 3.3 C

Facilitate construction of self-help ownership housing.

Responsibility: *Planning and Development, Redevelopment Agency.*

Timeframe: *Ongoing, as opportunities arise.*

Program HO 3.3 D

Working with HCD, HUD, Vallejo Neighborhood Services, and Legal Services of Northern California, develop an appropriate Section 8 Homeownership Program targeted to low and very-low income households.

Responsibility: *Housing Services Division.*

Timeframe: *Develop program during 2001 and 2002, implement in Summer 2002.*

Policy HO 3.4

Use Redevelopment Housing Set-Aside Funds to provide affordable housing.

Program HO 3.4 A

Implement the Strategy Plan adopted in 1999, which emphasizes housing rehabilitation and new construction on infill sites like Ellsworth Court (anticipated to be under construction by late 2002). The Fiscal Plan for Low/Moderate Housing is included as Table HO 4.

Responsibility: *Redevelopment Agency.*

Timeframe: *Ongoing.*

Policy HO 3.5

Implement State requirements regarding the location of manufactured homes.

Program HO 3.5 A

Continue to allow manufactured homes on foundations on residential land, subject to the same development standards as site-built housing.

Responsibility: *Planning and Development.*

Timeframe: *Ongoing.*

Policy HO 3.6

Support housing choice for very-low income households.

Program HO 3.6 A

Apply for new Section 8 certificates.

Responsibility: Housing Services.

Timeframe: Ongoing requests when available.

Policy HO 3.7

Maintain the affordability of existing housing.

Program HO 3.7 A

Work with organizations that acquire, rehabilitate, and manage substandard, vacant, or abandoned dwelling units. Units rehabilitated with City assistance will be rented to low-income households. Redevelopment Agency Low/Moderate Housing Funds will fund this program. For example, the Agency has budgeted \$167,000-\$168,000 per year between Fiscal Year 2000/2001 and Fiscal Year 2004/2005 to leasing affordable units at the Kennedy Court project. Other programs that will be used to fund acquisition and rehabilitation of housing units include federal Tax Credit programs, HOME grants, and private foundation funds tapped by local non-profit agencies.

Responsibility: Planning and Development, Redevelopment Agency.

Timeframe: Ongoing program.

Program HO 3.7 B

Assist nonprofit housing corporations seeking to acquire and maintain privately-owned, government-subsidized projects, such as Parkside Villa, which could convert to market rate housing under federal loan agreements.

Responsibility: Housing Services Division.

Timeframe: Ongoing

Program HO 3.7 C

The City will monitor the status of government-subsidized housing projects that could convert to market rate housing. Rockwell Manor is eligible to convert in July 2001; Parkside Villa can convert in October 2001.

Responsibility: Housing Services Division to monitor.

Timeframe: Ongoing

Program HO 3.7 D

If or when the City receives notice from the owners of Rockwell Manor and/or Parkside Villa that they intend to convert their projects to market rate status, the City will meet with the owner(s) of the project(s) to discuss possible City subsidies,

programs, or actions that could be used to preserve the affordability of the projects. Such programs might include:

- City assistance with building or property rehabilitation;*
- The City will help identify potential new owners for the project.*
- New financing, such as federal Tax Credits that enable repairs or more favorable return on investment in exchange for affordability requirements.*

Such programs will be potentially funded through the following sources:

- City Housing Set Aside Funds (Redevelopment) (\$150,000 is budgeted for housing preservation in the Redevelopment Agency Fiscal Plan (HO-4)).*
- Housing Rehabilitation Program (Depending on need/demand for subsidy).*
- CDBG Grants (Project specific funding).*
- City participation in the federal Tax Credit program and federal Tax Exempt financing programs (Depending on applications).*

The funding required would depend on the degree of subsidy needed. Potential costs are outlined in the Technical Document. The City will comply with all federal and State regulations regarding sale of such projects, including the requirement that such sales are negotiated. City assistance will be tied to guarantees of the continued affordability of the units. For example, if the City assists a private owner through the Tax Credit program, the units will be preserved as affordable for 55 years.

Responsibility: *Housing Services Division will work with Redevelopment Agency and Planning and Development Department to prepare subsidy package, as needed.*

Timeframe: *Dependent on receipt of notice of conversion.*

Program HO 3.7 E

If, despite City assistance, the owners of Rockwell Manor and/or Parkside Villa elect to convert their project(s) to market rate status, the City will protect current tenants through the following mechanisms:

- Counseling to inform tenants of their rights and options.*
- Targeted Section 8 vouchers for eligible tenants.*
- As part of the tenant-counseling program, the City will provide assistance to tenants in finding new affordable private housing.*

Tenant assistance programs will be funded through the Federal Section 8 voucher program. Tenant assistance programs will be funded through the administration budget of the Fairfield Housing Authority.

Responsibility: *Housing Services Division*

Timeframe: *Dependent on receiving notice of conversion.*

Policy HO 3.8

Encourage long-term housing affordability.

Program HO 3.8 A

Require projects receiving City assistance to ensure long-term affordability. Many funding sources, include tax credits, HOME, and City Redevelopment Housing Set-Aside funds require affordability be maintained for more than ten years. Use long-term agreements with property owners to ensure long-term preservation of affordable units. Where appropriate, impose resale controls on ownership units. Resale controls may incorporate a shared-equity arrangement to permit unit purchasers to share in any equity gains.

Responsibility: *Planning and Development, Redevelopment, Housing Services.*

Timeframe: *Ongoing.*

Program HO 3.8 B

Monitor unit condition and participant incomes on an annual basis to ensure that affordability requirements are met.

Responsibility: *Planning and Development, Housing Services.*

Timeframe: *Ongoing*

Objective HO 4

Encourage the development of a balanced community, with affordable housing spread throughout the City and located near essential services.

Policy HO 4.1

Locate affordable housing near employment, transportation, and facilities.

Program HO 4.1 A

Evaluate each affordable housing project for location near employment, transportation and public facilities and services.

Responsibility: *Planning and Development.*

Timeframe: *Ongoing.*

Policy HO 4.2

Discourage over-concentration of low-income housing in any neighborhood.

Program HO 4.2 A

Update the 1995 Multifamily Housing Sites Study to address the concentration issue, as needed.

Responsibility: Planning and Development

Timeframe: Prepare report by December 2002.

Policy HO 4.3

Encourage affordable housing to be spread throughout the community.

Program HO 4.3A

Investigate the feasibility of an ordinance that requires the inclusion of units in housing developments that are affordable to lower and/or moderate-income households. The Ordinance should address the following issues:

- *Project size exemptions.*
- *Percentage of affordable units to be required.*
- *Specific incentives for providing affordable units.*
- *Measures to address long-term affordability.*
- *In-lieu fees or land dedication.*
- *Integration of affordable housing within market rate projects.*

During preparation of the Ordinance, the City will investigate the extent to which the ordinance will serve as a constraint on new housing construction as well as the impact on the price of market rate housing.

Responsibility: Planning and Development to prepare ordinance.

Time frame: December 2002 for Ordinance; Adoption by July 2003.

Objective HO 5

Provide relocation assistance and, where appropriate, replacement of affordable housing removed in the City.

Policy HO 5.1

Assist lower income households displaced by the removal of affordable units.

Program HO 5.1 A

Evaluate demolitions of multi-family housing projects of 4 or more units. If the housing is occupied, the owner will be required to pay displaced households relocation assistance including moving expenses and three months rental assistance for a comparable unit.

Responsibility: Planning and Development.

Timeframe: Ongoing program.

Program HO 5.1 B

Require owners of dwellings vacated for violation of housing and building codes to pay relocation expenses to displaced residents and provide former tenants with the right of first refusal to return to the unit upon its repair.

Responsibility: *Quality Neighborhood Team (Public Works, Police, Fire, and Planning and Development).*

Timeframe: *Ongoing.*

Program HO 5.1 C

Assess the impact on tenants prior to conversion or removal of a mobile home park.

A copy of the assessment must be provided to all tenants affected by the closure. The City may require that comparable, standard condition replacement housing affordable to low and moderate-income tenants be provided on the site or elsewhere in the City.

Responsibility: *Planning and Development.*

Timeframe: *Depends on action by owner of park.*

Program HO 5.1 D

Use housing set-aside funds and other funding sources to replace housing removed by action of the Redevelopment Agency, in accordance with California Redevelopment Law. The Redevelopment Agency anticipates using funds for Ellsworth Court and PACE. Ellsworth Court was a mix of small apartment units and substandard trailers removed or demolished in 1999. The Redevelopment Agency will spend an estimated \$1,463,000 of housing funds for replacement housing on the Ellsworth Court site. The PACE area consists of older fourplexes where the Redevelopment Agency has been demolishing substandard units. The Agency anticipates spending \$5,000,000 for replacement housing.

Responsibility: *Redevelopment Agency.*

Timeframe: *Ellsworth Court should be under construction by the end of 2002. Other projects will be implemented on an ongoing basis.*

Objective HO 6

Improve and conserve the existing supply of housing.

Policy HO 6.1

Enforce the City's Community Preservation Ordinance and building codes.

Program HO 6.1 A

Continue implementing neighborhood revitalization through the Quality Neighborhood Team (QNT) program, emphasizing neighborhood outreach, cooperative management, and tenant education. The QNT program will also integrate physical improvements, including landscaping, streetscaping, signage, and community services. These programs will be funded through a combination of Redevelopment Agency, HUD, HOME grants, and revolving loan funds.

Responsibility: QNT Team.

Timeframe: Ongoing, with neighborhoods added as funding permits.

Program HO 6.1 B

Continue to provide free inspections and construction management to households receiving rehabilitation assistance. In addition, the City will provide inspections on a complaint basis for rental units.

Responsibility: Planning and Development, Building Division.

Timeframe: Ongoing.

Program HO 6.1 C

Proactively identify unsafe dwellings and act to correct the problems. Financial assistance for rehabilitation will be provided to low-income homeowners and to rental property owners with very-low and low-income tenants. Demolition would occur only in the most extreme cases.

Responsibility: QNT Team and Building Division to identify dwelling units, Planning and Development to provide rehabilitation assistance.

Timeframe: Ongoing, depending on staff availability for inspections.

Policy HO 6.2

Use available state and federal funds for rehabilitation assistance for low-income households.

Program HO 6.2 A

The City will continue its active housing rehabilitation program, proactively searching for and obtaining new funding as needed. The program is currently funded through the following sources, and the City intends to continue using these funds when available:

- *Federal HOME Grant Funds: This program is competitive, and the City does not currently use direct Federal HOME grants for housing rehabilitation.*
- *Cal HOME grants (State), when available. The City received a Cal HOME grant of \$150,000 in 2001.*
- *CDBG Revolving Loan Fund: The Fund has \$50,000 as of July 2001 and will be available as needed for minor rehabilitation projects.*
- *Community Development Block Grants: The City intends to apply for annual allocations from the Community Development Block Grant program. For Fiscal Year 2001-2002, the City received \$100,000.*
- *Redevelopment Housing Set Aside Funds: The City has budgeted \$1,075,000 between Fiscal Years 2001/2002 and 2005/2006.*

Responsibility: *Planning and Development-Housing Rehabilitation Division.*

Timeframe: *Ongoing.*

Program HO 6.2 B

Allow nonconforming dwelling units built prior to current standards to be rehabilitated so long as the nonconformity is not increased and there is no threat to public health and safety.

Responsibility: *Planning and Development and Building Division to review and approve building permits.*

Timeframe: *Ongoing.*

Policy HO 6.3

Continue to monitor housing conditions.

Program HO 6.3 A

Maintain a database of conditions as part of its housing rehabilitation programs and neighborhood revitalization efforts.

Responsibility: *Planning and Development.*

Timeframe: *Ongoing.*

Program HO 6.3 B

Continue to evaluate neighborhoods for inclusion in the Quality Neighborhood Program.

Responsibility: *QNT Team.*

Timeframe: *Ongoing.*

Program HO 6.3 C

Continue the Pride in Fairfield Program, which recognizes community efforts in maintaining quality neighborhoods.

Responsibility: *Planning and Development.*

Timeframe: *Ongoing.*

Special Needs

Objective HO 7

Create housing opportunities for people with special needs.

Policy HO 7.1

Support the efforts of Solano County and social service providers to ensure that there are adequate facilities to serve the needs of the homeless.

Program HO 7.1 A

Pursue funding from available sources for homeless services. Assist community groups that provide service, and assist such groups in applying for funding from other agencies. The City will apply annually, or whenever the funding program is available. Funding programs that the City will pursue include:

- *State of California (HCD) Emergency Shelter Grants (The City will seek \$5-\$10,000 through this competitive grant program).*
- *HUD Continuum of Care and McKinney Act Funds (The City will seek \$25,000 through this competitive grant program).*
- *HUD Transitional Shelters programs.*

Responsibility: *Community Services Department, Solano Homeless Task Force.*

Timeframe: *Depends on funding and requests from community groups.*

Program HO 7.1 B

Continue to participate in the homeless task force and the joint powers authority to pursue methods of coordinating homeless services, with the objective of developing a regional response to homeless needs.

Responsibility: *Community Services.*

Timeframe: *Ongoing.*

Program HO 7.1 C

Work with social service agencies to develop appropriate transitional housing programs and projects for homeless persons as an intermediate step to self-sufficiency in permanent housing.

Responsibility: *Community Services.*

Timeframe: *Ongoing.*

Program HO 7.1 D

Facilitate development of private sector employment opportunities for homeless people including job training and search programs, coordinating our efforts with the Workforce Investment Board.

Responsibility: *Community Services.*

Timeframe: *Ongoing.*

Program HO 7.1 E

Work with agencies to develop shelter space at appropriate locations.

Responsibility: *Community Services.*

Timeframe: *Dependent on application/contact.*

Policy HO 7.2

Support nondiscrimination in the sale, rental, and financing of housing.

Program HO 7.2 A

Continue to fund a fair housing program, implemented by Pacific Community Services, a HUD-certified nonprofit corporation. This organization provides complaint, mediation, educational, legal referral, and testing services. Residents are informed of their services through City referrals and notices posted in Civic Center Complex buildings.

Responsibility: *Housing Services Division, Redevelopment Agency*

Timeframe: *Ongoing.*

Policy HO 7.3

Address housing needs of single parents.

Program HO 7.3 A

Incorporate childcare and social services into affordable housing.

Responsibility: *Planning and Development.*

Timeframe: *Ongoing, dependent on interest.*

Policy HO 7.4

Support housing programs targeted to older adults, 55 years of age and above, taking into account lifestyle issues, health issues, and income.

Program HO 7.4 A

Work with developers specializing in housing for older adults:

- *Help locate sites suitable for senior housing.*
- *Assist developers in funding affordable housing for older adults, through state and federal funds, redevelopment agency housing set-aside funds, and/or the issuance of tax-exempt bonds to provide low-cost financing.*
- *Offer density bonuses to make senior projects financially feasible.*
- *Assist developers interested in converting existing residential buildings to meet the needs of older low-income adults. Assistance could include technical assistance in applying for state and federal funding, local financial assistance through redevelopment housing set-aside funds, and the waiving of certain fees and/or development requirements to increase the financial feasibility of such housing.*

The Agency Strategic Plan has not targeted Redevelopment Low/Moderate Income funds specifically for senior housing. However, Table AH-4, the Affordable Housing Implementation Plan has targeted development of 44 affordable housing units for seniors. These units could be funded under the following budget lines:

- *ADA Improvements (conversion of existing buildings): \$580,000 total.*
- *Single-family housing infill projects: \$683,000 total.*

- *Housing preservation: \$250,000 total.*
- *Quality Neighborhood Projects: \$1,400,000.*

Note that the budget includes total expenditures for housing in each program. These dollars would also be used for family housing and neighborhood improvements, and only a portion may apply to senior housing.

Responsibility: *Planning and Development, Redevelopment Agency.*

Timeframe: *Ongoing.*

Policy HO 7.5

Support efforts to meet the housing needs of Travis Air Force Base personnel.

Program HO 7.5 A

Participate in the Travis Regional Armed Forces Committee (TRAFC):

- *Identify appropriate locations for affordable rental housing projects that could serve military personnel and their families.*
- *Work with Air Force officials to market housing opportunities to for-profit developers interested in constructing such housing.*
- *Identify and apply for local, state, and federal funding sources for affordable military housing.*

Responsibility: *Planning and Development.*

Timeframe: *Ongoing.*

Policy HO 7.6

Ensure that new residential developments include housing accessible to persons with disabilities and others with physical conditions that make it difficult for them to use conventional housing.

Program HO 7.6 A

Implement State and federal requirements for accessibility and adaptability in new residential buildings.

Responsibility: *Building Division.*

Timeframe: *Ongoing.*

Program HO 7.6 B

Assist organizations seeking to develop or convert residential buildings for use as group homes for persons with physical or psychological conditions that prevent them from using conventional housing. Assistance could include participation in applying for state or federal funding, waiving of certain fees or development

standards, and financial participation by the City through redevelopment housing set-aside funds. The Redevelopment Agency has specifically budgeted \$580,000 for ADA accessibility improvements between 2000 and 2006. A portion of these funds could be targeted to improving buildings proposed for residency by persons with physical or psychological conditions.

Responsibility: *Department of Planning and Development, Housing Services Division, and Fairfield Redevelopment Agency.*

Timeframe: *Ongoing, dependent on applications.*

Policy HO 7.7

Encourage housing for larger families.

Program HO 7.7 A

Work with private and non-profit developers to target subsidies and programs, including the Density Bonus Ordinance, to encourage the inclusion of three and four bedroom units in affordable rental projects. The Redevelopment Agency has budgeted for projects that may include larger units, including \$5,000,0900 for PACE, and \$1,463,000 total for replacement of Ellsworth Court.

Responsibility: *Planning and Development, Redevelopment Agency.*

Timeframe: *Ongoing, depending on market and developer interest.*

Program HO 7.7 B

Target multi-family rehabilitation to apartment complexes and fourplexes with larger units. Where appropriate, encourage the conversion of substandard smaller units to larger units suitable for larger families. The Redevelopment Agency will fund \$1.4 million in the QNT areas, which have some larger units in the four-plexes.

Responsibility: *Planning and Development, Redevelopment, Housing Services.*

Timeframe: *Ongoing, depending on applications and funding availability.*

Program HO 7.7 C

Continue the City's single-family rehabilitation programs, preserving homes suitable for larger households.

Responsibility: *Planning and Development.*

Timeframe: *Ongoing, depending on applications and funding availability.*

Program HO 7.7 D

Support self-help housing groups' efforts to develop affordable homes suitable for larger families. The Redevelopment Agency budgets \$683,000 for all types of infill housing, including but not limited to self-help projects.

Responsibility: *Planning and Development, Redevelopment Agency.*

Timeframe: *Ongoing, depending on funding and developer interest.*

Policy HO 7.8

Support regional and County efforts to meet the needs of migrant and seasonal farm workers and their families.

Program HO 7.8A

Work with non-profit housing developers who build affordable housing in Fairfield to address any special needs of farm workers, such as on-site childcare, and community rooms. Such community rooms can facilitate education, outreach, and job training services. Funding would be provided through the State, federal and Redevelopment Agency programs described in Table HO-4.

Responsibility: Department of Planning and Development, Housing Services Division, Fairfield Redevelopment Agency.

Timeframe: Ongoing, depending on developer interest.

Program HO 7.8B

Cooperate with Solano County, the County Farm Bureau the Solano County Agricultural Commissioner, and the California Human Development Corporation in any efforts to meet the housing needs of migrant and seasonal farm workers. The California Human Development Corporation operates farm worker housing located throughout California (although not in Fairfield). The City will seek appropriate CHDC participation in any proposed very-low income housing projects developed during the 2001-2006 period.

Responsibility: Department of Planning and Development, Redevelopment Agency

Timeframe: Ongoing, depending on interest.

Program HO 7.8 C

Amend the Fairfield Zoning Ordinance, Section 25.50 "Boarding House" to add housing for migrant farm workers to the list of typical boarding house types. Clarify that boarding houses are conditionally permitted or permitted in higher density residential zones (RM, RH, RV) and downtown commercial zones (CD and CM).

Responsibility: Department of Planning and Development

Timeframe: Completion during Zoning Ordinance Cleanup (December 2002)

Program HO 7.8 D.

Amend the Zoning Ordinance, Section 25.32, "Specific Use Regulations" to add specific standards for boarding houses, including farm worker housing. The standards will be designed to minimize uncertainty for agencies providing affordable housing (boarding houses) for farm workers.

Boarding houses for migrant farm workers will be processed through an Administrative Use Permit process. In addition to lower fees, the Administrative Use Permit process can be completed more quickly than Planning Commission review.

Responsibility: *Department of Planning and Development*

Timeframe: *Completion during Zoning Ordinance Cleanup (December 2002)*

Program HO 7.8 E

Working with local advocates for farm workers, identify specific sites suitable for boarding houses that target migrant farm workers

Responsibility: *Department of Planning and Development*

Timeframe: *Completion of site inventory by December 2002..*

Program HO 7.8 F

State Law requires employee housing for farm workers to be treated the same as other agricultural land use. The City will amend the Zoning Ordinance, Table 25.13, to add a note that “Farm labor housing” shall be subject to the same requirements as agricultural uses.

Responsibility: *Department of Planning and Development*

Timeframe: *Completion during Zoning Ordinance Cleanup (December 2002)*

Energy Conservation

Objective HO 8

Promote energy conservation.

Policy HO 8.1

Implement state energy conservation standards.

Program HO 8.1 A

Check building plans for compliance with state energy conservation standards for new residential buildings.

Responsibility: *Building Division.*

Timeframe: *Ongoing.*

Policy HO 8.2

Encourage energy-conserving development patterns.

Program HO 8.2 A

Develop design guidelines that encourage energy conservation through energy-reducing landscaping, orientation and configuration of buildings site, and other factors affecting energy use.

Responsibility: *Planning and Development and Public Works to prepare guidelines as part of the Urban Design Guidelines.*

Timeframe: *Guidelines adopted by May 2002.*

Policy HO 8.3

Assist low-income households in weatherproofing their homes.

Program HO 8.3 A

Help low-income homeowners apply for assistance from other agencies to make energy conservation improvements. Available programs include: Block Grants, California Housing Rehabilitation Program, Pacific Gas & Electric, Special Circumstances Grants (specified homeowners on Social Security only), and North Coast Energy Services.

Responsibility: *Planning and Development.*

Timeframe: *Ongoing.*

Program 8.3 B

Provide energy efficiency rehabilitation grants, funded through the Community Development Block Grant program.

Responsibility: *Planning and Development.*

Timeframe: *Ongoing.*

Program HO 8.3 C

Provide first time homebuyers with assistance in weatherproofing their homes, using Community Development Block Grants and other available funding sources.

Responsibility: *Department of Planning and Development*

Timeframe: *Ongoing*

Quantified Objective for New Construction

January 2001-December 2006

The quantified objective identified in Table HO-1 is based on recent market conditions, City projections of growth rate, projects that are in “the pipeline,” and anticipated new construction. In certain cases, specific projects are identified. In others, there are anticipated projects that are “in the works” but have not yet seen a formal development application submittal. Finally, the projections also represent the City’s “wish list” of new projects. These projected construction totals are tied to historical trends, with moderate, low, and very-low income housing representing 36.46% of total projected construction for the Planning Period. For comparison, the City’s moderate, low, and very-low income housing represented 32.85% of actual construction during the 1990-2000 time period.

Overall, the City of Fairfield projects 450 single-family homes and 150 multi-family units will be completed per year between 2001 and 2006. Total housing production is thus projected at 2,700 single-family units and 900 multifamily units. In addition to these projected units, the City is anticipating self-help housing, Redevelopment Agency projects, and military housing to provide additional housing units.

1. Market Rate Single Family Housing

The City is projecting construction of 450 single-family homes per year (2,700). These projections are based on City budget estimates, past development trends, and projected population growth in Solano County as a whole.

- a. Of this number, the City projects that 18% (486) will be medium density (RM) single-family detached units. This projection is based on the proportion of City land that is zoned "RM." 10% (48 units) of the market rate RM housing units will be affordable to moderate income households (i.e., priced below \$177,000).
- b. During this time period, the Density Bonus Ordinance and other incentives will encourage development of 5% (135 units) of the single-family homes as affordable units for moderate-income households. This assumption is based on the popularity of relatively affordable small-lot subdivisions in Fairfield and the potential use of property currently zoned RLM being used for such projects. If such development is provided on RLM-zoned land, a density bonus would be required. Such a density bonus may result in the affordable units incorporated into the table.
- c. The Density Bonus Program, a non-mandatory program, will also produce 25 units affordable to low-income households.
- d. The remaining 2,235 single-family units in the RL, RLM, and RM Zoning Districts will be affordable to above-moderate income households.

2. Market Rate Multifamily Housing

The City is projecting the construction of 100 market-rate multi-family units per year by private developers (600 units between 2001 and 2006).

- a. 400 of these 600 units will be "family" units opened to all tenants:
 - o 10% (40 units) will be affordable to low income households;
 - o 25% (100 units) will be affordable to moderate-income households;
 - o 65% (260 units) will be affordable to above moderate-income households.
- b. 200 apartments will be targeted to senior adults:
 - o 25% (50 units) for low-income households

- 50% (100 units) for moderate-income households
- 25% (50 units) for above-moderate income households

The range of incomes discussed above are based on discussions with current senior housing developers now considering the development of apartments in Fairfield. While recent projects have been “luxury” apartments affordable only to above-moderate and moderate income residents, the City anticipates development of at least one non-luxury family rental projects with units affordable to low income residents. For low-income residents, an affordable rent (in 2000 dollars) is \$784 (1 br/1ba apartment) or below. Such units would also be affordable to moderate income households. Note that apartments for moderate-income residents do not usually receive City assistance.

3. Affordable Housing

With City assistance, developers will construct 300 units of subsidized family rental housing, with 200 units affordable to very-low-income households and 100 units affordable to low income households. The projects will be funded through a combination of state, federal, local, and private funds, such as federal and state tax credits, tax-exempt bonds, CDBG, HOME, and housing set-aside program funds.

4. Other Units: Redevelopment Agency Projects, Infill, and Military

In addition to 600 total units of housing during 2001-2006, there are several specific projects that could contribute additional units to the housing supply:

- a. The Redevelopment Agency anticipates facilitating construction of 100 affordable housing units (75 “very-low-income” and 25 “low-income” units) within the PACE neighborhood area. These will be affordable rental units offering new amenities to the neighborhood. This objective assumes completion of Agency land purchases in the area and the availability of supplemental funding for construction. The Redevelopment Agency has budgeted \$4,000,000 for this project, with construction beginning in 2003.
- b. The City will grant building permits for 75 secondary dwelling units, with 45 affordable to very low-income, 15 affordable to low-income and 15 affordable to moderate-income households. This number does not include illegal dwelling units.
- c. Working with Travis Air Force Base and private developers, the City estimates facilitating construction of 400 apartments. 375 units affordable for moderate-income 25 affordable for enlisted low-income personnel.
- d. As part of the Hampton Place renovation, the property owner will add four very-low-income units and six bedrooms to existing units. Construction is beginning in 2001.

- e. The City anticipates working with Habitat for Humanity, Mercy Housing, and other self-help housing developers to build 15 single-family homes, with 5 affordable to very-low-income households and 10 for low-income households.

Other Housing Objectives

January 2001-December 2006

Under State law, many of the City's programs for affordable housing cannot be included in the Quantified Objective. Nonetheless, the City believes that it is important to clearly outline expected units that will be preserved, improved, or added to the affordable housing stock.

Conservation of Housing Units

- The Housing Authority will receive 200 additional Section 8 vouchers for very-low-income households.
- The City will work with the owners of Rockwell Manor and Parkside Villa to preserve the affordability of 128 units for at least 40 years. The City will support the use of tax credits, HOME funds, and redevelopment funds to ensure that the units remain affordable to very-low income residents.

Other Projected Affordable Housing Projects

While State Law limits the Quantified Objective to new construction and specific programs that preserve housing units, the City of Fairfield anticipates substantial units will be rehabilitated or added to the affordable housing stock. Some units are anticipated, as the City has no firm commitments or funding sources. Other units are for low-income homeownership assistance programs, which cannot be included in the "Quantified Objectives". Nonetheless, these programs will create housing opportunities for low and moderate-income residents in Fairfield.

Newly Affordable Units

- The City will actively assist non-profits interested in purchasing a small apartment building(s) for occupancy by very-low-income residents. These residents will be "special needs" residents such as the disabled or the mentally challenged. According to discussions with a service provider, the City anticipates acquisition of one 50-unit complex during the period.
- The City will issue mortgage credit certificates for 200 units of owner-occupied housing. 60% of these (120) will be granted to low-income households who would otherwise not be able to afford a home. The remaining 80 will be allocated to moderate-income households.

- Based on current program participation, 15 low-income households per year (90 total) will participate in the City's silent second down payment assistance program.
- The City will continue to encourage the use of CDBG, HOME, and federal tax credits by property owners interested in a long-term commitment to affordable housing. At least two complexes with 200 total units will use these programs to provide up to 100 units affordable to low-income residents, 100 for moderate income residents.

Housing Rehabilitation

Housing rehabilitation programs are generally not considered a component of meeting the City's housing needs in Fairfield, where abandonment is minimal. Based on current trends, the City will rehabilitate 100 units per year between 2001 and 2006, for a total of 600 units. Half of the rehabilitated units will be affordable to very-low-income households.

Conclusion

These objectives are based on realistic estimates regarding market conditions and the number of affordable units that can be constructed through the various housing programs. They assume development will remain active between 2001-2006.

There is adequate vacant land to meet the City's housing needs. However, the ability to meet this need is constrained by the cost of new housing construction, neighborhood opposition to affordable housing, and the resulting inability of developers to construct market rate rental housing affordable to low-income households. Needed funding subsidies for the construction of new low and very-low-income housing is limited and very competitive. If the City is able to identify partners for affordable housing production, the ability to build such housing is improved, despite the constraints outlined above and in the Technical Document.

Table HO-1
Quantified Objective

	Very Low	Low	Mod.	Above	Total
New Construction					
1. Market Rate Single Family Housing					
a. Affordable RM Homes (Market Rate)	0	0	48	0	48
b. Density Bonus Program-Non-Mandatory	0	25	135	0	160
c. Inclusionary Housing Program	0	67	67	0	134
d. Market Rate (Above Moderate) Units	0	0	0	2,358	2,358
Total	0	92	250	2,358	2,700
2. Market Rate Multifamily Housing					
a. Family Apartments		40	100	260	400
b. Senior Apartments	0	50	100	50	200
Total	0	90	200	310	600
3. Affordable Family Apartments	200	100	0	0	300
4. Other Units: Redevelopment Agency Projects, Minor Infill, Military					
a. Ellsworth Court	0	10	40	0	50
b. PACE Redevelopment Project	75	25	0	0	100
c. Secondary Dwelling Units	20	10	0	0	30
d. Travis Military Housing	0	25	375	0	400
e. Hampton Place Expansion	4	0	0	0	4
f. Self-Help Housing	5	10	0	0	15
Total	104	80	415	0	599
Total, New Construction	304	362	865	2,668	4,199
Remaining ABAG Housing Need Allocation	794	440	503	0	1,737
New Construction Versus ABAG Allocation	490	78	(362)	(2,668)	(2,462)

**Table HO-2
Other Objectives**

Projected Need	Very Low	Low	Moderate	Above Mod	Total
ABAG Allocation: 7/1/99-12/31/06					
	761	573	972	1506	3812
Units constructed 7/1/99 to 10/01/05					
	66	201	965	4479	5711
Solano County Needs Allocation*					
	99	68	496	870	1533
Remaining Housing Need (10/01/05 to 12/31/06)					
	794	440	503	0	1737

* Includes an allocation of 53 "second units" in the Hidden Meadows Annexation

Supporting Text

Housing Needs

State Law requires the Association of Bay Area Governments (ABAG) to determine projected regional housing needs for persons at all income levels. ABAG then determines local jurisdictions' share of the regional need for housing. This share must be considered in the Housing Element update.

The table below shows the ABAG projected housing need by income categories for the City of Fairfield. Note that this table incorporates an allocation of 1,486 very-low, low, moderate, and above-moderate income housing units from Solano County.

In Solano County, County and municipal policy directs higher density development to the cities. Despite this, ABAG allocated a significant number of housing units to the unincorporated County.

Solano County has requested assistance from the County's cities, particularly cities planning to annex developable lands from the County. In exchange, the County agreed to facilitate the City's economic development and housing efforts.

While the ABAG projections cover July 1, 1999 to December 31, 2006 (7-1/2 years), this Housing Element addresses six years (January 1, 2001- December 31, 2006). Thus, the table is adjusted to account for the housing units constructed between 1999 and the third quarter of 2005.

Table HO-3

Housing Need by Income Category
7/1/99 -12/31/06

Projected Need	Very Low	Low	Moderate	Above Mod	Total
ABAG Allocation: 7/1/99-12/31/06					
	761	573	972	1506	3812
Units constructed 7/1/99 to 10/01/05					
	66	201	965	4479	5711
Solano County Needs Allocation*					
	99	68	496	870	1533
Remaining Housing Need (10/01/05 to 12/31/06)					
	794	440	503	0	1737

* Includes an allocation of 53 "second units" in the Hidden Meadows Annexation

Multi-family Housing

Affordable multi-family rental housing remains a critical housing need for the City. By economic necessity, the needs of lower-income households can only be met by the production of multi-family rental housing. These households do not earn enough to be able to afford even the most inexpensive type of ownership housing (condominiums or townhouses) that could be constructed in Fairfield, unless a substantial subsidy is provided by family members or government programs. In addition, due to housing inflation, it is likely that few moderate-income households can afford any ownership housing, let alone new units.

There is a limited stock of rental housing, with the prospects for substantial increases dependent on the financial feasibility of rental construction. Because of the Tax Reform Act of 1986 that eliminated many tax benefits associated with apartment development, apartment construction has been less profitable during the 1980s and 1990s. As a consequence, lower and moderate-income rental housing developed since that time has had to rely on the income stream, rather than tax benefits, to make those projects financially feasible. During this period, the federal government also reduced subsidies for lower and moderate-income rental housing construction. In addition, local jurisdictions have imposed increased development fees, including school fees, on

all residential projects. When combined with California's high land costs, these factors make development of affordable multi-family housing more difficult.

Despite the difficulties, over 900 units of multi-family housing, including two new affordable housing projects, Sunset Creek and Fairfield Vista, were completed since 1992. The affordable family projects used a variety of federal and state programs, as well as local assistance, to provide 138 units of housing affordable to very-low-income households. In 1999 and 2000, there was new interest in multi-family housing. Four projects received City planning approvals, including two senior projects. In general, market rate housing is rented to above-moderate or at best moderate-income households. One project constructed during 2000 and 2001, Rolling Oaks Apartments, provided 292 "luxury" rental units, including 30 units determined to be affordable to moderate-income households.

Despite the new market conditions, development of multi-family housing remains difficult. The amount of rental housing produced has not kept pace with the need as defined in the ABAG regional housing needs distribution numbers.

The City has adjusted its development standards to provide more flexibility in multi-family housing review, particularly for trees, open space, and parking. The Zoning Ordinance also permits flexibility for small and infill projects.

State and Federal Programs

There are many state and federal programs which provide low-cost financing or subsidies for the production of lower-income and moderate-income housing. Some programs require an application and participation by a local public agency, some programs are for use by nonprofit housing corporations and housing authorities, and the remaining programs require application and direct participation by a private developer.

Fairfield will pursue funding under those state and federal programs that require its direct participation, and will provide assistance to nonprofit and for-profit housing developers to make use of other programs which require their application and participation. The use of the programs listed below is predicated upon reaching agreements with interested developers. Programs that the City will pursue include:

- State Loans;
- State Rental Housing Construction Program;
- Community Development Block Grant Program;
- HELP.

Other programs provide direct subsidies, mortgage insurance, or low-interest loans to non-profit housing sponsors. Agencies providing this assistance include the California Department of

Housing and Community Development, the California Housing Finance Agency, and the U. S. Department of Housing and Urban Development. Included in these programs are:

- Technical assistance grants for project feasibility studies and development;
- Subsidies for shared housing for seniors, congregate housing, farm worker housing, senior housing, self-help housing, transitional housing for homeless individuals, and other targeted groups;
- Federal HOME;
- Federal tax credits.

The City will solicit interested nonprofit and private developers to make use of these programs. The City could provide local assistance in preparing funding applications, grant density bonuses, and apply for complementary programs that can help reduce land or site development costs for such projects.

Mortgage Credit Certificates

The City has received authority from the California Debt Limit Association Committee (CDLAC) to issue Mortgage Credit Certificates (MCC). Mortgage Credit Certificates provide tax credits to qualified borrowers, which have the equivalent effect of lowering interest rates. The tax credit is equal to 15% of the interest paid on the mortgage loan.

Density Bonuses

Density bonuses provide a developer with additional dwelling units in exchange for the provision of housing affordable to lower-income households. State law provides that if a developer proposes to include at least 20 percent of the dwelling units in a project at rents/prices that are affordable to low-income households, or 10 percent of the units at costs affordable to very-low income households, the local jurisdiction must permit a 25 percent density bonus plus at least one additional incentive. The City has adopted a Density Bonus Ordinance consistent with state law. The City will implement this state requirement and consider additional density increases on a case-by-case basis to increase the financial feasibility of affordable housing projects. Additional bonuses above 25% will be at the discretion of the City and will depend on the site characteristics, availability of infrastructure, project design, and surrounding land uses.

Community Reinvestment Act

The Community Reinvestment Act directs federal regulatory and deposit insurance agencies to encourage the institutions they regulate to assist in meeting the credit needs of their communities, including low- and moderate-income needs. Federal agencies are supposed to evaluate compliance with the intent of this act when reviewing applications by financial institutions for charters, new branches, mergers, relocations, and other regulated transactions.

Redevelopment Areas

State law generally requires that at least 20% of the redevelopment tax increment revenues be used to improve, increase or preserve the community's supply of housing affordable to low or moderate-income households. There is also a requirement that 30% of any dwelling units constructed by a redevelopment agency be affordable to low or moderate income households (half of these to very low income households), and 15% of the dwelling units constructed by others in a redevelopment area, be affordable to low- and moderate-income households (40% of these to very low income households).

The Fairfield Redevelopment Agency has used Redevelopment funds for a variety of housing-related projects, including housing rehabilitation (Kennedy Court, Hampton Place, QNT Neighborhoods). Low-moderate funds also paid for acquisition, demolition, and relocation assistance at Ellsworth Court, a former blighted trailer park. The Agency may use such funds for new construction in the future, when the Ellsworth Court site is redeveloped.

Table HO-4 is taken from the Redevelopment Agency's Strategic Plan. It shows planned expenditures on moderate and low income housing between 2000 and 2007.

Rehabilitation Programs

Many lower- and moderate-income owner-occupants lack sufficient financial resources to obtain private funding for home repairs. Owners of rental units occupied by lower-income households often cannot financially support repairs to dwelling units from the rents they charge. Many of the units in need of rehabilitation require structural repairs and energy efficiency modifications to eliminate health and safety problems.

The City will continue to assist organizations that provide weatherproofing and rehabilitation services to lower income households. The City will also continue to operate its rehabilitation loan program. Owners of rental properties who participate in this program are required to maintain the affordability of such units, in accordance with state or federal guidelines.

Quality Neighborhood Team

The Quality Neighborhood Program provides a comprehensive approach to revitalizing targeted neighborhoods. The Quality Neighborhood Team includes a building inspector, a code-enforcement officer, a police officer, and tenant service specialist. The team works with property owners and tenants to abate nuisances, eliminate crime problems, correct building deficiencies, coordinate building code deficiencies, coordinate the installation of public improvements, etc. Loans with flexible terms are also made to property owners requiring financial assistance. In addition, the team works with owners and lenders when the properties are in default or

foreclosure. The program also emphasizes tenant education and outreach, with social services, employment counseling, and information on basic housekeeping.

The QNT program has successfully reduced crime in several target areas, including Kennedy Court, Fillmore Street, and San Marcos Street. These areas have seen improvements in building quality and maintenance, streetscape, and social conditions.

Pride in Fairfield Program

The "Pride in Fairfield" program provides annual awards to individuals and groups who have made outstanding efforts to maintain or improve the quality of their neighborhoods and properties.

The Awards Committee includes representatives of service organizations, the business and real estate community, the Community Services Commission, the Planning Commission, and citizens at-large.

Energy Conservation

The State of California has adopted a number of energy conservation requirements for residential dwelling units. These conservation standards apply to all newly constructed dwelling units and additions to existing dwelling units. Conservation requirements address insulation; the amount and orientation of glazing; shading by landscaping, mechanical, and architectural devices; heating and cooling system efficiency; the amount and placement of thermal mass (materials that absorb heat during the daytime and release heat at night); and other aspects of building energy efficiency.

Applicants for building permits must show compliance with the State's energy conservation requirements at the time building plans are submitted. The City's Building Division is responsible for implementing the state's energy conservation standards. This includes the checking of building plans and other written documentation showing compliance and the inspection of construction to ensure that dwelling units are constructed according to those plans. The cost of enforcement is paid for from fees paid at the time plans are submitted.

Multi-Family Sites Study

The 1995 Multi-Family Sites Study surveyed all sites within the City with multi-family zoning. The Study ranked sites according to criteria, focusing on location relative to services and employment, site area, environmental hazards, and concentration of similar housing. The Study also assesses sites with commercial zoning that may be suitable for housing. Finally, the Study examined potential sites in the Peabody Walters Master Plan Area and in the Northeast Growth Center.

Urban Design Guidelines

The City is preparing Urban Design Guidelines to encourage long-term viability of attractive neighborhoods. Such guidelines can, for example, help reduce opposition to such housing. The Guidelines will be adopted by May 2002.